



Council on Technology Services

Minutes

May 11, 2005

VDOT Auditorium, 1221 E. Broad St.
Richmond, Virginia

Members Present

Lemuel C. Stewart, Jr., Chairman (VITA)
J. Timothy Bass (VRS)
L. Farley Beaton (TAX)
David W. Burhop (DMV)
Bethann H. Canada (DOE)
Jan B. Fatouros (DGS)
Vickie A. Gephart (VSP)

Karl R. Hade (SCV)
The Honorable Eugene J. Huang (SoTech)
Virgil E. Kopf, Ph.D., PMP (DGIF)
Shirley C. Payne (UVA)
Darlene H. Quackenbush (JMU)

Members Absent

Jerome P. Allgeier (VDACS)
Jeanne H. Branch (DPOR)
James E. Burns, M.D., M.B.A. (VDH)
M. Elaine Carver (Roanoke)
David J. Molchany (Fairfax)

Francis X. Moore, III, Ph.D. (Longwood)
David C. Sullivan (Virginia Beach)
Mark D. Willis (VCU)
William E. Wilson (DLAS)

Others Present

Brian Freeman (CGI-AMS)
Wanda Gibson (Fairfax County)
Jenny Hunter (VITA)
Steve Kolodney (CGI-AMS)

Jay Landis (DLAS)
Val Oveson (CGI-AMS)
Jerry Simonoff (VITA)
John Westrick (OAG)

Call to Order

Chairman Lemuel C. Stewart, Jr., Chief Information Officer (CIO) of the Commonwealth, called the meeting of the Council on Technology Services (COTS) to order at 2:05 PM.

Single Window Governments

Mr. Stewart introduced Steve Kolodney, CGI-AMS Vice President for Consulting and former Washington state CIO, and Brian Freeman, CGI-AMS Vice President for Single-Window Government Initiatives and former president of Service New Brunswick. They provided a briefing on Single Window Governments entitled "Enabling Government Transformation with eGovernment."

Mr. Kolodney acknowledged Val Oveson, CGI-AMS Vice President for Government Relations and former CIO of the state of Utah. He described the progress made in New Brunswick, Canada, and Suffolk, England. Highlights of his presentation are:

- The forces shaping the economy are information and competition at a global level, resulting in an increase on self-reliance. There were 97 million Americans who took

advantage of eGovernment services in 2003, and the majority of those surveyed had successful online experiences, according to Pew/Internet in 2004.

- The public sector must respond to these drivers, yet faces insufficient resources, growing entitlements, and complex and costly systems and processes. Governors face a wide range of issues, such as improving revenue collection, getting a handle on healthcare and the rising costs of Medicare, and transforming and modernizing government.
- The service government imperative is to spend less, but spend smarter, provide round-the-clock self-service, ensure accessibility and accountability, and create efficiencies.
- The single window government provides citizens and businesses with multi-channelled access to “joined-up” government services on a one-stop-shop basis across the whole of government.
- The “next generation” of eGovernment is citizen-centric, transaction-based, repeatable, rapidly deployed at low cost, and embraces legacy systems.

Mr. Freeman described the efforts of New Brunswick, a province of Canada, and the progress it has made in creating joined-up government for its citizens. Highlights of his presentation are:

- New Brunswick faced a fiscal crisis, requiring innovative thinking and changing the way government does business in the late 1990s.
- In looking at service delivery from the perspective of a customer, government was not aligned with the customer’s needs. For example, if a citizen wants to open a convenience store, the government does not have a convenience store license. Opening a convenience store requires 12 licenses and permits from 7 different departments.
- The Service New Brunswick model provides a common front-end interface for all government transactions, whether they are delivered online, over the phone, or over the counter. The service model is focused on the front end—the citizen interface—first, then works on the back end with the various departments.
- The government transaction framework calls for government to stop building applications and start building transactions and to adopt functional architectural frameworks that accept the fact that systems across government are not integrated and will not be for some time.
- There are six common elements of a transaction, including navigation, selection, payment, fulfillment, posting, and reporting. These elements are universal to transactions, regardless of the substance (health vs. education vs. public safety).
- The goal of the transaction framework is to promote rapid deployment at a low cost, building on the common transactional elements.
- Service New Brunswick was established 15 years ago and conducts millions of transactions with citizens and businesses, collecting hundreds of millions of dollars on behalf of 16 departments and more than 40 municipalities. About 42 percent of all transactions are conducted electronically (by Web or phone). Over the counter transactions have decreased by nearly 30 percent over five years in terms of total transactions conducted.
- The net economic benefit to New Brunswick in 2002 was \$141 million (Canadian), which is equivalent to 0.72 percent of the provincial gross domestic product. In

terms of satisfaction, 92 percent of citizens and 87 percent of businesses were either satisfied or very satisfied with e-government services.

- The Service New Brunswick model is repeatable, and was deployed in Suffolk, England, which saw a 54 percent increase in transactions with no new staff. The partnership provided 176 services online within six months, with 400 anticipated to be up by October 2005.
- The essence of single window government is strategy and technology that shifts power from government to citizens, common frameworks for rapidly deploying applications and streamlining business processes, modern architecture that incorporates existing business rules and interfaces with legacy systems, and organizational change that improves delivery while lowering cost.
- In looking at the total cost of government services, administration accounts for 15 to 18 percent of the cost, while service delivery accounts for 40 to 60 percent of the cost, making it the best target for creating efficiencies and improvements.

Strategic Plan and Enterprise Business Architecture Update

Mr. Jerry Simonoff, VITA Director of Strategic Management Services, provided an update on the Commonwealth's strategic plan for technology. Highlights of his presentation are:

- The statewide strategic plan for technology was published in 2002 and included eight strategic initiatives. Four are the responsibility of VITA and four are the responsibility of the Center for Innovative Technology (CIT).
- The four VITA initiatives are to revolutionize service delivery to our customers; consolidate IT infrastructure and provide centralized services; plan, budget, and track IT expenditures; and manage IT procurement.
- On behalf of the IT Investment Board, a "refresh" of the 2002 strategic plan is planned for 2005, to include accomplishments to date and plans for fiscal years 2006 to 2009.
- High level accomplishments since 2002 are improved governance and oversight, successful transition of 90 agencies to VITA, improvements in centralized procurement, cost savings and cost avoidances, enterprise promotion and collaboration, and emphasis on value-add and agency impacts.
- Jan Fatouros chairs the COTS Strategic Planning workgroup, which provided feedback and input into the technology strategic plan "refresh," and will be reactivated later in the fall to work on a full re-draft of the four-year plan. The "refresh" was approved by the IT Investment Board on April 13.

Mr. Stewart thanked Ms. Fatouros and the Committee members for their work. Mr. Simonoff provided an update on the *Enterprise Business Architecture (EBA)* and Enterprise Business Model approved by the IT Investment Board in April. Highlights are:

- The IT Investment Board requested the EBA, which is a best practice of the private sector and is used to drive the rest of the enterprise architecture. The EBA is based on the federal model and is useful to the Board in making better investment decisions based on common activities.
- The EBA identifies the "as is" business architecture of executive branch agencies. Examples of findings include: 30 agencies issue licenses or permits, 39 administer grants, 44 collect user fees, 22 perform debt collection, and 18 conduct retail sales operations.

- Next steps include continuous updating to keep the EBA current, and improvements to make it dynamic, readily accessible, and easy to use. Based on the direction of the business leadership, the next step is to develop the “to be” component of the EBA and the corresponding gap analysis.

Approval of the Minutes

Mr. Stewart introduced the draft meeting minutes from March 7, 2004. Mr. Burhop moved to accept the minutes as written. The motion was seconded by Mr. Beaton and approved unanimously by the Council. The meeting minutes will be posted to the COTS Web site and the Commonwealth Calendar.

COTS Workgroup Reports

Business Reengineering Workgroup

COTS Business Reengineering Workgroup Chairman Farley Beaton provided an update on his Workgroup's activities. The Workgroup is finalizing its charter and recently received a presentation from VITA Associate Director of Policy, Planning, and Architecture Paul Lubic on the EBA. The Workgroup is developing approaches for identifying opportunities for re-engineering and prioritizing them, using the EBA as a source. The Workgroup anticipates that there will be more opportunities than can be completed at one time, and is developing metrics for determining how to prioritize the opportunities.

COVITS Workgroup

COVITS Workgroup Chairman Mark Willis was attending the Virginia Executive Institute and could not attend COTS. Ms. Hunter gave the Workgroup update in his absence. The COVITS Workgroup was set up for two purposes: to provide input into the content of the Commonwealth of Virginia Information Technology Symposium (COVITS) and provide recommendations for the Governor's Technology Awards. The Workgroup has worked with COVITS staff to invite public sector speakers from state agencies, localities, higher education, and K-12 education to provide workshops on strategic direction, past experiences, current requirements, future needs, and “hot” buttons. The workshops are scheduled for the morning of September 20.

The Workgroup has also developed recommended topics for COVITS speakers to address that would be of interest to public sector audiences, such as security best practices, emerging technology, e-commerce, Virginia-specific activities, and the work of the IT Investment Board and COTS.

The Workgroup recommends that the Governor's Technology Awards be reinstituted with COVITS 2005. The Workgroup recommended five award categories, including innovation in technology, public/private partnership, One Virginia, e-government, and entrepreneur award. The awards are open to public and private sector entries. The Workgroup is recruiting judges. The deadline for entry is August 15.

Strategic Planning Workgroup

Strategic Planning Workgroup Chair Jan Fatouros reported that the Workgroup completed its review and input into the "Refresh" of the statewide, four-year technology plan. The group will be on hiatus until the Fall, when plans for developing the 2006 strategic plan for the Commonwealth will begin.

PPEA Review Workgroup

PPEA Review Workgroup Chairman Dave Burhop reported the Workgroup will meet on May 25 to review the Workgroup charter, receive a briefing on the background and process of the PPEA, review deliverables and timelines, discuss review strategies, and identify and assign specialty areas. There are currently 9 members of the workgroup representing local government, the Legislative and Judicial branches of government, higher education, and state government.

Transformation Update

Dan Ziomek, VITA Deputy PPEA Program Director, introduced a briefing on transformation and the PPEA. Fred Duball, Infrastructure PPEA Program Manager, and Tim Bass, Enterprise Applications PPEA Program Manager, provided updates on their respective PPEA tracks. Highlights of the presentation are:

- Mr. Ziomek provided an overview of the PPEA process model, program level organization, timeline, and overall status. The conceptual review of four proposals was completed in November 2004, with the recommendation to split the PPEA proposals into two tracks for detailed review: Infrastructure (IBM and Northrop Grumman) and Enterprise Applications (CGI-AMS and IBM).
- The IT Investment Board is the business owner of the infrastructure track and the Secretaries of Finance and Administration are the business owners of the enterprise applications track.
- Mr. Duball provided an update on the infrastructure PPEA track. The track includes the hardware, networks, and associated services and staff required to support the information systems that agencies use to operate and provide services to citizens.
- The infrastructure PPEA review process is highly collaborative, involving multiple agencies. The proposals packages were released to the vendors in late April, and the detailed proposals are due to VITA June 20. The Infrastructure PPEA Steering Committee will present its recommendation on July 25 to the IT Investment Board whether (or not) to commence with negotiations.
- Mr. Bass provided an update on the enterprise applications PPEA track. The track includes those business processes and associated software applications that are used across state government to provide management and administrative support in the agencies in the areas of human resource management, financial management, and procurement.
- The goal of the enterprise applications track is to establish a clear business case to reengineer various processes within the state, and, if so, what to do to re-solution them.
- The enterprise applications track is now in the Due Diligence phase, involving 46 agencies and 26 business processes tied to the EBA.

- Mr. Bass anticipates releasing the draft statement of work and proposal package to the proposal teams on June 27. The package defines for the vendors how to present the business case and the costs associated with the as-is environment, the opportunities for reengineering processes, the methodology for bringing those opportunities to fruition, and components related to governance, change management, costs, and funding alternatives.

New Business & Public Comment

Mr. Stewart asked if any Council members had new business to bring to the Council. There was no new business. Mr. Stewart asked for public comment. There was none.

Adjournment

The next meeting of the COTS will be Wednesday, June 23, 2005, from 2-4 p.m. at the Virginia Department of Transportation Auditorium, 1221 E. Broad St., Richmond. There being no further business, Mr. Stewart adjourned the meeting at 3:55 p.m.